Remarks

Response to Claim Rejections Under 35 U.S.C. 103(a)

The Office has rejected claims 1-42 under 35 U.S.C. § 103(a) as being unpatentable over Davidson (U.S. Patent 5,699,527) in view of CompliancePro, discussed by Phil Britt. The Office bears the initial burden of establishing a *prima facie* case of obviousness. *See In re Piasecki*, 223 USPQ785, 788 (Fed. Cir. 1984). To establish a *prima facie* case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the references or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure. *In re Vaeck*, 20 USPQ2d 1438 (Fed. Cir. 1991), MPEP § 2142 and § 2143.

Regarding the first criteria for establishing a *prima facie* case of obviousness, the Office has not cited any reference or provided any suggestion or motivation to combine the references in order to arrive at Applicant's invention. Furthermore, regarding the second criteria, the Office has not cited a reasonable expectation of success even if the references were combined as suggested. The following paragraphs present discussions of the third criteria necessary for the establishment of a *prima facie* case of obviousness

Discussion of Independent Claim Rejections Under 35 U.S.C. § 103(a)

Regarding independent claim 1 (previously presented), there is no teaching or suggestion in the Davidson and CompliancePro references for (a) "allowing a user to display

and enter loan audit compliance data, comprising the steps of receiving and displaying loan audit data on a user interface of a computer system and storing the loan audit data in a loan data database in the computer system". There is no teaching or suggestion in the Davidson and CompliancePro references for (b) "allowing a user to interactively build loan compliance rules comprising the steps of enabling the user to interactively build loan compliance rules on a user interface of the computer system and storing the loan compliance rules in a loan compliance rules database in the computer system". There is no teaching or suggestion in the Davidson and CompliancePro references for (c) "responding to a loan audit request received from a user on a user interface of the computer system comprising the steps of retrieving the loan compliance rules from the loan compliance rules database, retrieving the loan audit data from the loan data database, comparing the loan compliance rules to the loan audit data to determine a loan audit compliance result, and notifying the loan audit request user of the determined loan audit compliance result.". The Davidson and CompliancePro references fail to disclose each and every element of the claimed invention, arranged as in claim 1. Therefore, a *prima facie* case for unpatentability of claim 1 (previously presented), based on obviousness under 35 U.S.C. § 103 (a), is not supported by the Davidson or CompliancePro references.

Regarding independent claim 2 (previously presented), there is no teaching or suggestion in the Davidson and CompliancePro references for (a) "allowing a user to display and enter loan audit compliance data comprising the steps of receiving and displaying loan audit data on a user interface of a computer system and storing the loan audit data in a loan data database in the computer system". There is no teaching or suggestion in the Davidson and CompliancePro references for (b) "allowing a user to interactively build loan

compliance rules on a user interface of the computer system comprising the steps of using applicable licenses for a geographic boundary, building loan compliance rules for all applicable licenses available within the geographic boundary and storing the loan compliance rules in a loan compliance rules database in the computer system, and associating licenses from the applicable licenses with a loan originator to form a set of loan originator applicable licenses and storing the list of loan originator licenses in the loan compliance rules database in the computer system". There is no teaching or suggestion in the Davidson and CompliancePro references for (c) "responding to a loan audit request received from a user on a user interface of the computer system comprising the steps of identifying a loan type and loan originator, retrieving the loan originator licenses for the loan type and loan originator from the loan compliance rules database, retrieving the loan compliance rules associated with the loan originator licenses from the loan compliance rules database, retrieving the loan audit data from the loan data database, comparing the loan compliance rules with the loan audit data to determine a loan audit compliance result, and notifying the loan audit request user of the determined loan audit compliance result". The Davidson and CompliancePro references fail to disclose each and every element of the claimed invention, arranged as in claim 2. Therefore, a *prima facie* case for unpatentability of claim 2 (previously presented), based on obviousness under 35 U.S.C. § 103 (a) is not supported by the Davidson and CompliancePro references.

Regarding independent claim 22 (original), there is no teaching or suggestion in the Davidson and CompliancePro references for (a) "electronically transferring loan data from a user interface embodied in a computer processor to a loan audit server computer over a communications network". There is no teaching or suggestion in the Davidson and

CompliancePro references for (b) "at the user interface computer, allowing a user to interactively build loan compliance rules using compliance based rule variables and rule building instructions comprising using licenses applicable to the state, building rules for all applicable licenses available within the state, and associating the applicable licenses with a loan originator to form a list of loan originator applicable licenses and storing the loan originator applicable licenses". There is no teaching or suggestion in the Davidson and CompliancePro references for (c) "storing the loan compliance rules in a database connected to the loan audit server computer". There is no teaching or suggestion in the Davidson and CompliancePro references for (d) "in response to a loan audit request, identifying a loan type and the loan originator, retrieving the applicable licenses for the loan type and the loan originator by the loan server, retrieving the loan compliance rules associated with the applicable licenses from the stored rules in the database by the loan server, comparing the loan compliance rules to loan data to determine loan audit compliance results by the loan server, and electronically transferring the loan audit compliance results from the loan server to the user over a communications network". The Davidson and CompliancePro references fail to disclose each and every element of the claimed invention, arranged as in claim 22. Therefore, a *prima facie* case for unpatentability of claim 22 (original), based on obviousness under 35 U.S.C. § 103 (a) is not supported by the Davidson and CompliancePro references.

Regarding independent claim 25 (original), there is no teaching or suggestion in the Davidson and CompliancePro references for (a) "a user interface for displaying and entering loan audit compliance data". There is no teaching or suggestion in the Davidson and CompliancePro references for (b) "a loan audit server communicating with the user interface

that allows a user to interactively build a set of loan compliance rules using compliance base rule variables and rule building instructions, stores the loan compliance rules, and in response to a loan audit request, identifies a loan type, determines the loan compliance rules that apply to the loan type, and compares the loan compliance rules to loan data associated with the loan audit request to determine loan audit results". The Davidson and CompliancePro references fail to disclose each and every element of the claimed invention, arranged as in claim 25. Therefore, a *prima facie* case for unpatentability of claim 25 (original), based on obviousness under 35 U.S.C. § 103 (a) is not supported by the Davidson and CompliancePro references.

Since every element of the claimed invention, arranged as in the independent claims, is not found in the cited prior art references of Davidson and CompliancePro, Applicants' independent claims 1, 2, 22 and 25 are not unpatentable over the Davidson and CompliancePro references under 35 U.S.C. §103(a). Furthermore, claims 3-21 and 23 are dependent upon independent claim 2, claim 24 is dependent upon independent claim 22, and claims 26-42 are dependent upon independent claim 25. These dependent claims are either directly or indirectly dependent upon independent claims 1, 2, 22 and 25, respectively, and therefore incorporate all the limitations of the independent claims while providing further unique and non-obvious recitations. Therefore, the rejections of these dependent claims based on obviousness are also unsupported by the Davidson and CompliancePro references and should be withdrawn.

Discussion of Dependent Claim Rejections Under 35 U.S.C. § 103(a)

As more fully set forth below, the Office has failed to meet its burden of establishing a *prima facie* case of obviousness under 35 U.S.C. § 103(a) with regard to the rejection of

claims 3-21, 23-24 and 26-42. To sustain a *prima facie* case for obviousness under 35 U.S.C. §103(a), the prior art reference (or references when combined) must teach or suggest all claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure. The obviousness rejections of Applicant's claims 3-21, 23-24 and 26-42 are unsupported by the Davidson and CompliancePro references, and should be withdrawn.

There are many distinguishing differences between Applicants' invention disclosure and the Davidson and CompliancePro disclosures cited by the Office. As described and claimed in Applicants' specification, the present invention is a computer-implemented method and system for auditing loan compliance with government loan lending and licensing requirements. The Davidson disclosure teaches a method of electronically filing business loan applications. The CompliancePro disclosure teaches a method for providing electronic copies of textual information of lending requirements and for monitoring activities of personnel within a lending institution to ensure that they perform necessary tasks required by regulations.

Regarding Applicant's dependent claim 3 (previously presented), claim 3 claims building rules for all applicable licenses available within the geographic boundary using compliance base rule variables and rule building instructions, and storing the rules in a rule library. There is no disclosure of dependent claim 3 in the Davidson and CompliancePro references. Therefore, claim 3 is not unpatentable over the cited references under 35 U.S.C. § 103(a). In addition, since claim 3 is dependent on claim 2, which has been shown to be not

anticipated, claim 3 is also not anticipated under 35 U.S.C. § 103(a). Therefore the rejection of claim 3 is unsupported by the cited references, and should be withdrawn.

Regarding Applicant's dependent claims 4 -9 (all original), these claims involve allowing a user to add new licenses, to available applicable licenses and to add new rules for the new license, storing loan compliance rules in a rule library, allowing a user to review, change and modify an existing rule in the rule library, and where compliance rule variables represent data elements in a loan file. There is no disclosure of dependent claims 4-9 in the Davidson and CompliancePro references. Therefore, claims 4-9 are not unpatentable over the cited reference under 35 U.S.C. § 103(a). In addition, since claims 4-9 are indirectly dependent on claim 2, which has been shown to be nonobvious, claims 4-9 are also not unpatentable under 35 U.S.C. § 103(a). Therefore the rejections of claims 4-9 are unsupported by the cited references, and should be withdrawn.

Regarding Applicant's dependent claim 10 (original) and claim 11 (original), claim 10 claims allowing the user to build rules by specifying equations using base rule variables. Claim 11, which depends on claim 10 recites the rule building instructions comprise controlling the rule building process to eliminate rule errors. There is no disclosure of dependent claims 10 or 11 in the Davidson and CompliancePro references. Therefore, claims 10 and 11 are not unpatentable over the cited reference under 35 U.S.C. § 103(a). In addition, since claims 10 and 11 are dependent on claim 3, which has been shown to be nonobvious, claims 10 and 11 are also not unpatentable under 35 U.S.C. § 103(a). Therefore the rejection of claims 10 and 11 are unsupported by the cited references, and should be withdrawn.

Regarding Applicant's dependent claims 12-21 (original or previously presented), these claims involve associating loan compliance rules with a license to form a set of assigned compliance rules, defining the geographic boundary as a state, allowing a user to display and enter loan data over a communications network or global communications network to a rule library, identifying and storing applicable exemptions to government license requirements in assigned compliance rules, where loan originator requirements are state loan requirements, where the loan originator requirements are federal loan requirements, where the licensing requirements are state licensing requirements, and where the licensing requirements are federal licensing requirements. There is no disclosure of dependent claims 12-21 in the Davidson and CompliancePro references Therefore, claims 12-21 are not unpatentable over the cited references under 35 U.S.C. § 103(a). In addition, since claims 12-21 are indirectly dependent on claim 2, which has been shown to be not nonobvious, claims 12-21 are also not unpatentable under 35 U.S.C. § 103(a). Therefore the rejections of claims 12-21 are unsupported by the cited references, and should be withdrawn.

Regarding claim 23 (original), since claim 23 is dependent on claim 2, which has been shown above to be not unpatentable over the cited references, claim 23 is also not unpatentable under 35 U.S.C. § 103(a). Therefore the rejection of claims 23 is unsupported by the cited references, and should be withdrawn.

Regarding claim 24 (original), since claim 24 is dependent on claim 22, which has been shown above to be not unpatentable over the cited references, claim 24 is also not unpatentable under 35 U.S.C. § 103(a). Therefore the rejection of claims 24 is unsupported by the cited references, and should be withdrawn.

Regarding dependent claims 26-41 (all original), these claims have been rejected by the Office under 35 U.S.C. §103(a) as being unpatentable over the Davidson and CompliancePro references. Since claims 26-41 are either directly or indirectly dependent on independent claim 25, where independent claim 25 has been shown to be not unpatentable over the Davidson and CompliancePro references under 35 U.S.C.§ 103(a), claims 26-41 are also not unpatentable under 35 U.S.C. § 103(a). Therefore the rejections of claims 26-41 are unsupported by the cited references, and should be withdrawn.

Regarding claim 42 (currently amended), since claim 42 is dependent on claim 25, which has been shown above to be not unpatentable, claim 42 is also not unpatentable under 35 U.S.C. § 103(a). Therefore the rejection of claims 42 is unsupported by the cited reference, and should be withdrawn.

Summary

The responses detailed above rebut the assertions by the Office of obviousness of Applicant's invention, since all the elements of Applicant's claimed invention are not found in the cited reference of Davidson and CompliancePro. The responses substantiate the nonobviousness of claims 1-42 of Applicant's specification over the cited references. Since the rejections are unsupported for failure to find all Applicant's claim limitations in Davidson and CompliancePro references, the rejections should be withdrawn.

Applicant has made a diligent effort to distinguish the present invention over the referenced art and to place the claims in condition for allowance. However, should there remain unresolved issues that require adverse action, it is respectfully requested that the Examiner telephone Douglas D. Russell, Applicants' Attorney at 512-338-4601 so that such issues may be resolved as expeditiously as possible. For these reasons, and in view of the

above amendments, this application is now considered to be in condition for allowance and such action is earnestly solicited. Reconsideration and further examination is respectfully requested.

Respectfully Submitted,

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Date

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